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|  | SOLICITATION AMENDMENT | | ARIZONA DEPARTMENT OF HEALTH SERVICES 1740 West Adams, Room 303 Phoenix, AZ 85007 (602) 542-1040 (602) 542-1741 fax |
| | Solicitation No. HP832090 | | |
| | Amendment No #1 | Page 1 of 6 | |
| | Solicitation Due Date: May 19, 2008 at | 3:00 P.M. | |
| | | Contact: Richard Szawara | |
| A signed copy of this amendment must be submitted with your Solicitation Response. Amendments may be issued to this solicitation at any time. It is the responsibility of the supplier/Offeror to routinely check the ADHS website for solicitation amendments. This Solicitation is amended as follows: | | | |


1. The following is not an amendment to the Request for Proposal (RFP), but rather a clarification regarding the notice to vendors, dated March 24, 2008, which provided information about how to obtain a copy of the Request for Proposal (RFP) which stated "Once you complete the registration requirements, you can view and download the RFP." A registration process is not required; vendors may download the RFP at <http://www.azdhs.gov>. In addition, at this website the "Procurement" link has been modified to make it clearer there is a "PDF" version and the "Word" version is linked to the Bidders Library. The PDF version is the official version.

2. In accordance with the Solicitation, Special Instructions, page 18 of 278, section F. "RESOURCES FOR DEVELOPING A PROPOSAL," first paragraph, sentence that reads "Subsequent to the release of this RFP, ADHS anticipates posting to the Bidder's Library the program component of the Title XIX and Title XXI capitation rates as well as analyses of the impact of proposed rule changes referenced in Scope of Work section B.3.B.": Capitation Rates for fiscal years 2006, 2007, and 2008 are added to the RFP, Bidders Library, at the link titled "Capitation Rates and Non-Title XIX/XXI Appropriation Amounts (SFY06-08) [PDF 700K]." In addition, section F is amended to add the following after the sentence quoted above: "ADHS will release draft proposed fiscal year 2009 capitation rates when available." After this sentence the following is added: "The Non-Title XIX and Non-Title XXI payment amounts for fiscal years 2006, 2007, and 2008 are added to the RFP, Bidder's Library, at the link titled 'Capitation Rates and Non-Title XIX/XXI Appropriation Amounts (SFY06-08) [PDF 700K]' and this SFY amount includes payments for both the delivery of Covered Services and all other Contractual requirements associated with Non-Title XIX and Non-Title XXI (State-only) Members. In addition, the amounts appropriated for adults with Cystic Fibrosis for fiscal years 2006, 2007 and 2008 are added to the RFP, Bidders Library, at the link titled 'Adult Cystic Fibrosis Appropriations (SFY06-08).pdf [PDF 33K]'. The appropriated amount for SFY 09 and subsequent SFYs are determined by legislative appropriation on or about June each year."


3. Special Instructions, page 23 of 278, section N, "Evaluation Criteria" subsection # 3, "Price (i.e. Costs to the State)", is amended to read:
 "Price (in accordance with ATTACHMENT B – PRICE SHEET)"; in addition, the first paragraph under this section is deleted, this information appears, as revised, at the Special Instructions, page 60 of 278, section 7 "Price (i.e., Costs to the State)" as amended herein (below).

4. Special Instructions, page 60 of 278, section 7 "Price (i.e., Costs to the State)", the first paragraph is amended to read:
 "Confirm the Offeror's acceptance of a) the Title XIX and Title XXI capitation rates for delivery of Covered Services; b) the Non-Title XIX and Non-Title XXI payment amount, which includes the legislative appropriated amount for payments for both the delivery of Covered Services and all other Contractual requirements associated with Non-Title XIX and Non-Title XXI (State-only) Members; and c) the compensation terms outlined in section 'G. Financial Management and Practices' of the Scope of Work for Title XIX, Title XXI, Non-Title XIX and Non-Title XXI (State-only) populations."


5. Special Terms and Conditions, page 83 of 278, a new section #13 is added that reads:
 "13. Delegation
 Uniform Term and Condition, Section 5.3 Assignment and Delegation's requirement for the Procurement Officer's prior written approval for Contractor's delegation or assignment is not applicable to the Contractor's subcontracts with providers in which the only services the subcontractor will deliver are Covered Services to Members."

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6. Special Terms and Conditions, page 87 of 278, section "I" the linked document at "Policy 11.1 Prior Authorization" is changed to remove the requirement that physician/dentist office visits have to be prior authorized and the link is amended to read:
http://www.azdhs.gov/phs/ocshcn/crs/crs_rfp_documents_links.htm
7. Scope of Work, page 108 of 278, the first paragraph, first sentence, is amended to delete the reference to a "Managed Care Organization" and is amended to read:
 "In accordance with Article 3, Arizona Revised Statutes (A.R.S.) §§36-261 and 36-262 and Article 13, A.R.S. §§36-797.43 and .44, the purpose of this RFP is for the Arizona Department of Health Services/Children's Rehabilitative Services Administration (ADHS) to contract with an organization to become a Children's Rehabilitative Services Organization (CRSO or Contractor) that administers the Children's Rehabilitative Services (CRS) program to eligible Members as described in this Contract."
8. Scope of Work, page 108 of 278, second paragraph, a new sentence is inserted after the first sentence and the first sentence is revised; the first two sentences are amended to read:
 "ADHS is procuring a CRSO that shall provide and/or arrange for and manage the timely delivery of well-coordinated, multi-specialty, interdisciplinary Covered Services by a network of Qualified Providers to Members in all regions of the State. Network design shall preserve continuity of care, existing member-provider relationships and member/family choice when feasible."
9. Scope of Work, page 109 of 278, the third complete paragraph on this page, the last sentence in this paragraph is amended to delete the word "more" and is amended to read:
 "The Contractor shall manage care to promote appropriate utilization of services, minimize the need for emergency care and improve the quality of care (QOC)."
10. Scope of Work, page 110 of 278, subsection "A." is amended to add text regarding employees, this subsection is amended to read:
 "A. deliver, through its employees and/or Subcontractors, Family-Centered, culturally competent, multi-specialty, interdisciplinary healthcare and managed healthcare services including:"
11. Scope of Work, page 112 of 278, subsection "(4).", is amended to read:
 "utilizes innovative strategies and up-to-date technology to create access to Virtual Clinics for Members;"
12. Scope of Work, page 127 of 278, subsection "(e)" (which starts on the previous page), last sentence of the subsection, is amended to read:
 "The Contractor shall actively monitor its own and its Subcontractors' UM activities for compliance with Federal regulations, AHCCCS and CRS requirements, and adherence to the UM Plan."

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13. Scope of Work, page 156 of 278, first sentence in the last paragraph preceding subsection “(3).”, is amended to add “its employees” and this sentence is amended to read:
 “The Contractor shall establish policies and procedures for ensuring implementation and monitoring of coordination between its employees, Subcontractors, AHCCCS Health Plans, ALTCS Program Contractors, and other State agencies.”
14. Scope of Work, page 162, first paragraph above subsection “B.”, the last sentence, capitalize “qualified providers”, the sentence is amended to read:
 “Members shall have access to well-coordinated services delivered by Qualified Providers in a culturally competent, linguistically appropriate, Family-Centered manner that is at least equal to community norms. Covered services shall be reasonably available in terms of location, hours of operation and waiting times.”
15. Scope of Work, page 168, subsection “(a).”, changes are made regarding the types of clinics, the entire subsection is amended to read:
 “At least two (2) MSIC sites in the Phoenix metropolitan area, at least one (1) MSIC site in the Tucson metropolitan area, at least one (1) MSIC site in the Prescott/Sedona/Flagstaff area, and at least one (1) MSIC site in the Yuma area. The types of clinics to be held in MSICs and their staffing are included in Exhibit A. At a minimum, the Offeror shall make available each of the clinics in Exhibit A within the State. The Contractor shall evaluate the needs of its Members throughout the State and consider the efficient use of provider resources to determine which MSIC will provide the required clinic type, the number and distribution of additional clinics and whether additional types of clinics are needed;”
16. Scope of Work, the last paragraph starting on page 205 of 278 and rolling to the next page, adds employees of the Contractor and is amended to read:
 “The Contractor shall conduct encounter data validation studies of its employees who deliver Covered Services and/or Subcontractors at least on a quarterly basis. In conducting its encounter data validation studies, the Contractor shall verify that all services delivered to Members are being reported to the Contractor accurately, timely and are documented in the medical record. The Contractor shall conduct targeted encounter data validation studies of its employees and Subcontractors that are not in compliance with ADHS’s or the Contractor’s encounter submission requirements. The Contractor shall document the results of encounter data validation studies of its employees and Subcontractors and provide the findings to ADHS upon request.”
17. Scope of Work, page 211 of 278, section 2.A, the last sentence is amended to read:
 “Capitation rates awarded with the Contract will be effective on an annual basis for the period October 1 through September 30.”

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18. Scope of Work, page 212 of 278, the "Annual Deductible" amount as reads: "\$50,000" is amended to read: "\$75,000".

19. Scope of Work, page 217 of 278, section "B. Non-Title XIX and Non-Title XXI Payments" is amended to add additional funds that will be made available to the Contractor, this section and its subsections are amended to read:

"B. Non-Title XIX and Non-Title XXI Payments and Other Funds

 - (1). The Contractor shall receive Non-Title XIX and Non-Title XXI funds (i.e., State-Only funds) in twelve (12) monthly installments through the Contract Year. These funds shall represent reimbursement in full for all Contractual requirements associated with Non-Title XIX and Non-Title XXI Members. The Contractor shall manage available Non-Title XIX and Non-Title XXI funds to continuously deliver Covered Services and perform other associated Contract requirements throughout the entire Contract Year.
 - (2). Each Contract Year the Contractor will receive from ADHS and keep an accounting of the actual reimbursement and expenditure of funds in accordance with Chapter 6.0 of the CPPM for the following:
 - (a). Title V funding of no more than \$10,000 to reimburse expenses related to Parent Action Councils;
 - (b). Donated funds of \$24,000 for expenses related to the delivery of social services; and,
 - (c). Up to the value (the Contractor will not directly receive funds) of \$5,000 for families of CRS members to stay at Ronald McDonald Houses in Phoenix, Tucson and Palo Alto California."

20. Exhibit "A", page 226 of 278, "Metabolic Interdisciplinary Clinics" row, the "Interdisciplinary Team Members" column cell for this row, the first entry "Primary Care Physician" is deleted.


21. Exhibit "A", page 229 of 278, the last row "Rhizotomy Review Team Meeting (not a clinic)", all cells in this row are deleted.

22. Exhibit "B", page 231 of 278, the first two cells, in the order they appear, under "Managed Care – Scope of Work C" for the column titled "Description and Filename" are amended in order to read:


"Performance Review Reports for Contractor and Subcontractors/employees who provide services"

"Corrective Action Plans for Contractor and Subcontractors/employees who provide services"

23. Acronyms and Definitions, page 256 of 278, "MCO Managed Care Organization" is deleted; and, page 269 of 278, the "Managed Care Organization" definition is deleted.

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24. Acronyms and Definitions, page 265 of 278, the "Delegated Agreement" definition is amended to add "other than the delivery of covered Services by a provider subcontractor" to the end of the definition, the definition is amended to read:
- "Delegated Agreement** – an agreement with a qualified organization or person to perform one or more functions required to be provided by the Contractor pursuant to this Contract other than the delivery of Covered Services by a provider subcontractor."
25. Acronyms and Definitions, page 274 of 278, a definition for "Qualified Provider" is added and reads:
- "Qualified Provider** – a qualified provider is an individual or entity with the relevant experience, education, expertise, credentials, accreditations and/or licenses to provide a Covered Service. A Qualified Provider may be employed by or subcontracted with the Contractor. It is preferred that Qualified Providers have experience with delivery of CRS Covered Services within Arizona."
26. Acronyms and Definitions, page 276 of 278, add the following: "State Fiscal Year (SFY) – July 1 to June 30."
27. The Bidders Library is reformatted and seven (7) new links are added and the formulary exhibit and its link are modified in accordance with the following:
- a. The **"Network Grid for Response to Special Instructions Section S.2.B.(5)**
 Network_Spreadsheet_Attachment_C.xls [XLS 34K]" is moved from the top of the box to below the box.
 - b. To more easily label and find links, six (6) existing links are moved under the following two new created categories: **"Quality Management (QM) Tracking Report Examples"** and **"MM/UM Tracking Report Examples."** The following three new links are added to the latter new category: "Concurrent Review Tool FY08.pdf [PDF 104K]", "PA Spreadsheet.xls [XLS 31K]", "Retro Review Tool FY08.pdf [PDF 87K]."
 - c. A new link, "Capitation Rates and Non-Title XIX/XXI Appropriation Amounts (SFY06-08) [PDF 700K]" is added.
 - d. The link titled "CRS_Formulary.xls [XLS 113K]" is amended to read "CRS Formulary 2008.04.16.xls [XLS 53K]" the document is modified by combining Dorzolamide and Timolol into one listing and adding four (4) new drugs: Omeprazole, Sapropterin dihydrochloride, Alendronate, and Fexofenadine hydrochloride.
 - e. A new link, "Adult Cystic Fibrosis Appropriations (SFY06-08).pdf [PDF 33K]" is added.
 - f. A new link, "CRS Enrollment Profile Data http://www.azdhs.gov/phs/ocshcn/data_statistics.htm" is added to the **"Bidders Library Document Links"** section.
 - g. A new link, "CRS Clinical Practice Guidelines Manual http://www.azdhs.gov/phs/ocshcn/crs/crsa_clinical_practice_guidelines.htm" is added to the **"Bidders Library Document Links"** section.
28. The following are section reference corrections:
- a. Page 30 and 31 of 278, subsection "v." and "vi." the section reference that reads "S.1.A.(3)..." is amended to read "S.1.A.(2)..." this corrects the "3" to read "2".
 - b. Page 46 of 278, subsection "(6)." is amended to read "(5)."; this corrects the numerical sequence which starts on the previous page.
 - c. Page 168 of 278, subsection "(a)." the last line, the Exhibit reference "C" is amended to read "A".
 - d. Page 219 of 278, the first paragraph above section "(2)", the second to last line the Exhibit reference "B" is amended to read "C".

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29. The data files referenced on page 19 of 278 are amended in accordance with the following:
- "CRS Utilization Data (Tab-Delimited)**
ADHS-CRS_Data_Book.zip [ZIP 8M]"; this file is amended to add alpha-numeric CPT, HCPCS, and Procedure Modifier codes in the following fields: "Proc_Code, Proc_Mod1, Proc_Mod2, Proc_Mod3, and Proc_Mod4"; and amends the field type of NDC_Code from numeric to text.
 - "CRS Utilization Data Dictionary**
ADHS-CRS_Data_Dictionary final.xls [XLS 47K]"; this file amends the Field Type/Code Definition for NDC_Code as reads "Numeric (11_digits)" to read "Text (11 characters)."

ALL OTHER INSTRUCTIONS, TERMS AND CONDITIONS REMAIN UNCHANGED.

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| Vendor hereby acknowledges receipt and understanding of above amendment <hr/> Signature _____ Date _____ | The above referenced Solicitation Amendment is hereby executed this _____ day of April, 2008 in Phoenix, Arizona. |
| <hr/> Type Name and Title <hr/> Name of Company | Signature _____ Title: Jean Clark, State Procurement Administrator |